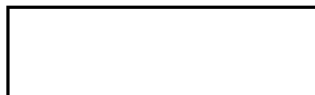


7 November 1978

General Counsel
D/EEO

✓ Legislative Counsel
Inspector General
Public Affairs

Fred FYI -- would like your
support and ideas etc. to assure
this is a successful effort
that truly gets at Agency
Personnel Management issues.



SA/DDCI

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Executive Registry

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OLC # 78-5448

7 NOV 1978

*file OLC
overseen by
Events*

MEMORANDUM FOR: Deputy Director for Administration
Deputy Director for Operations
Deputy Director for National Foreign Assessment
Deputy Director for Science and Technology
Chairman, Executive Career Service Board

FROM : Deputy Director of Central Intelligence

SUBJECT : Personnel Management Systems Study

1. As you all know the Director has endorsed the proposal that we undertake a major and thorough examination of the CIA's personnel management system by a group of experts from outside the Agency. After considerable thought it was decided that the most productive approach would be to contract with the prestigious National Academy of Public Administration for the services of four eminent consultants in the field of public personnel management and administration. We have now done this and I think we are indeed fortunate to have obtained the services of four distinguished practitioners in this field to perform this chore for us -- Mr. Bertrand Harding, Ambassador Carol Laise, Mr. George S. Maharay and Mr. Richard Chapman. Their biographic resumes (attached) attest to their credentials to do the job.

2. It may well be that the product of the effort will precipitate substantial change in our personnel systems -- or it may be that only some "fine tuning" is needed. In any event because it has been many years since the foundations of the current system were established I am sure most will agree that a new overall examination is justified if not overdue. I am confident that all Agency executives and managers will respond sincerely and conscientiously to the questions and information requirements posed by these consultants.

3. In order to assure that all employees understand clearly the purpose and scope of this effort I am attaching a copy of the procurement request, the accepted proposal of the Academy and the biographic resumes of the individuals who will do the actual study. I wish you would reproduce this document with attachments and give it wide distribution among the employees of your career services.

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4. Within a day or two of the arrival of the consultants on board I expect to ask them to meet with each of you for a general orientation discussion of the organization, missions, functions, personnel complement and personnel management systems of your Directorate or Career Service. The earlier the study group gains a clear understanding of the organization, its activities, and the personnel systems now existing in the Agency the more rapidly will they be able to proceed with their task. I trust that each of you will be candid and constructive in your criticisms of the current systems as well as in the defense of the status quo.

STAT

5. [redacted] my Special Assistant, is the CIA project officer for this contract and I would ask that each of you designate and provide him with the name of a senior official to act as your Directorate or Career Service focal point officer responsible for assuring Directorate responsiveness to the requirements of the study group. The group offices will be in Room 2C.29,

STAT

[redacted] a senior Agency secretary, has been designated the support assistant for the group until they have completed their task. If you have any questions now or later, I suggest you contact either [redacted] or me. We will do our best to resolve any problems which arise.

STAT
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[redacted]
Frank C. Carlucci

Attachments:

- A. Biographic Resumes
- B. Procurement Request
- C. Accepted Proposal of Academy

cc: D/Personnel

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October 19, 1978

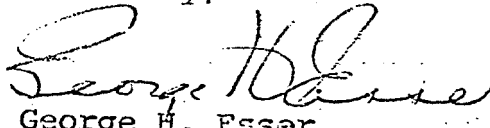
Central Intelligence Agency
Washington, D.C. 20505

Gentlemen:

I am taking this opportunity to offer the services of the National Academy of Public Administration (NAPA) to assist the Central Intelligence Agency in reviewing its personnel management system to meet the Agency's present and future needs.

The specifics on the proposal are enclosed. I would be glad to discuss this proposal in more detail should you desire.

Sincerely,


George H. Esser
Executive Director

GHE/jmw
Encl.

Proposal

To examine the total Agency personnel management system and issues and problems associated with it for the purpose of providing advice and assistance to the Deputy Director of Central Intelligence. A final report with recommendations for designing and implementing a CIA Personnel Management System that will meet present and future Agency needs will be provided. All of the reviewing activities will be undertaken with a recognition of the special sensitive needs of the Agency as well as the welfare and career needs of employees.

The National Academy of Public Administration (NAPA) team will be composed of persons who have had significant experience in dealing with a variety of personnel systems in several government agencies and have dealt with and/or conducted research on organizations having a significant percentage of professional personnel including scientists and engineers.

Basic Assumptions

1. In view of the sensitive nature of Agency activities, NAPA team members will be cleared and will comply with security requirements in the same manner as if they were Agency employees.
2. All work will be performed at CIA Headquarters; office space, equipment, and clerical support needed will be provided by CIA.

3. All reports and research will be the property of CIA and no distribution of the reports or research will be made to anyone other than a person or persons designated by the Deputy Director.

4. The team will have access to personnel policies, guidelines, regulations, instructions, studies and other data necessary to complete its work; however, data on numbers, geographic locations of employees, etc. will normally not be requested or given to team members.

5. Discussions with managers and individual employees will be held confidential by the team members, but information gathered in such discussions will be used in developing findings and recommendations.

Proposed Activities

1. The team will review on site at CIA Headquarters the existing personnel management system and its operation and will discuss the system and its operations with managers and employees in all career services and in selected components of the Agency. The team will conduct similar discussions either individually or as a team with key officials in the central management activities of the Agency.

2. The team will specifically review and comment on the following personnel management functions, although their review and comments are not limited to these areas:

- recruitment

- management training

- promotion systems including performance evaluation and competitive ranking procedures. Composition, criteria and number/types of people reviewed by various personnel panels will also be included

-- personnel policy development and implementation.

The team will give recognition to the specialized needs, in terms of functions and occupations, of the various components of the Agency in developing its reports and in making its recommendations.

3. The team will develop a draft report which will include:

- a. basic findings concerning effectiveness of present system
- b. principles upon which revisions, if necessary, should be based
- c. basic concepts for revising various aspects of the present personnel management system and options, if and where appropriate
- d. organizational concepts for any proposed revisions and suggestions for implementing any changes.

4. A draft report will be presented to and discussed with persons designated by the Deputy Director. Status reports will be provided to the DDCI at formally scheduled intervals during the conduct of the report.

5. A final report will be prepared by the team and submitted to the Deputy Director. The report will be appropriately classified by CIA. No copies are to be retained by any team member or by NAPA. All working papers produced or used by the team remain the property of CIA.

(The team will be available to assist in further revision and implementation after February 15, 1979, if desired.)

Assistant Team Leader - Ambassador Carol C. Laise

Team Member and Staff Coordinator - George S. Maharay

Time Schedule - o/a February 15, 1979 (or 90 calendar days after work starts)

- Ambassador Laise will be available to December 15, 1978
- Mr. Harding will be available on a part-time basis to December 1, 1978 and essentially full-time thereafter
- Mr. Maharay will be available full-time to February 15, 1979 (or 90 calendar days after work starts)
- Additionally, Mr. Richard Chapman will be available as necessary and appropriate from November 15, 1978 to February 15, 1979.

Proposed Budget

Carol Laise:	10 days @ \$185	\$ 1,850	
Bertrand Harding:	40 days @ \$185	7,400	
George Maharay:	60 days @ \$180	10,800	
Richard Chapman:	30 days @ \$242	7,260	
Overhead:	75% of Personal Services		\$27,310
			20,482
Fee:	10%		\$47,792
			4,779
			<u>\$52,571</u>